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***DRAFT WORKING
PAPERS***

Iraq Status

This briefing is classified

UNCLASSIFIED

Derived from: Multiple Sources



Highlights

CPA Priorities:

- Essential Services
- Security
- Governance
- Economy
- Strategic Communications

CPA Intermediate Objectives:

- Reconstitute electric power infrastructure
- Reconstruct the telecoms system
- Assist drafting of “Fundamental Law”
- Build financial market structures
- Revamp Iraqi Media Network

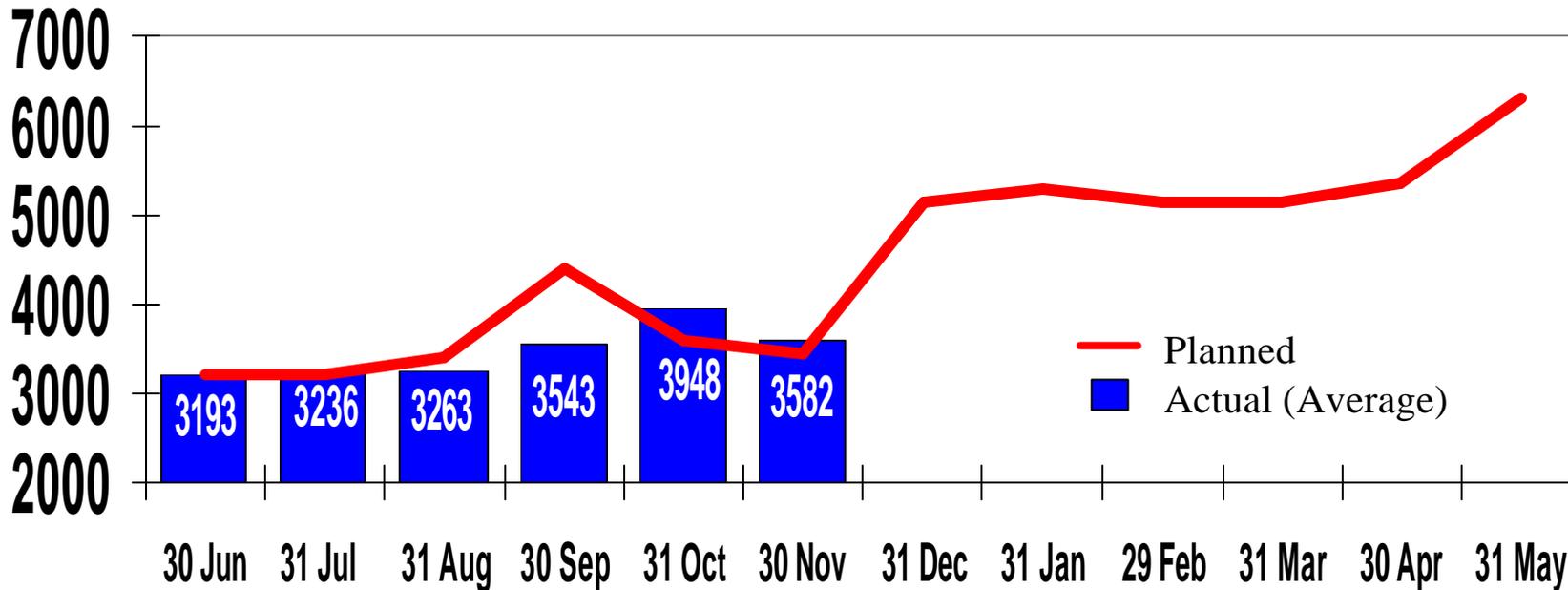
Weekly Highlights:

- Refined petroleum product production and imports are well below supply targets. Current import and production rates insufficient to build supplies for getting through the winter
 - TF-RIO, Ministry of Oil & CPA formed special team to resolve issue
- Security at 20 electrical facilities transitioning to Iraqi security forces
- Attacks against Americans are falling while attacks against Iraqis have increased
- Irrigation canal program concluded with 16,500+ km cleared
- Commenced production of new Iraqi postal stamps

TF Restore Iraqi Electricity (RIE) Overview

Goal 01 Oct : 4,400 MW
Production and Transmission

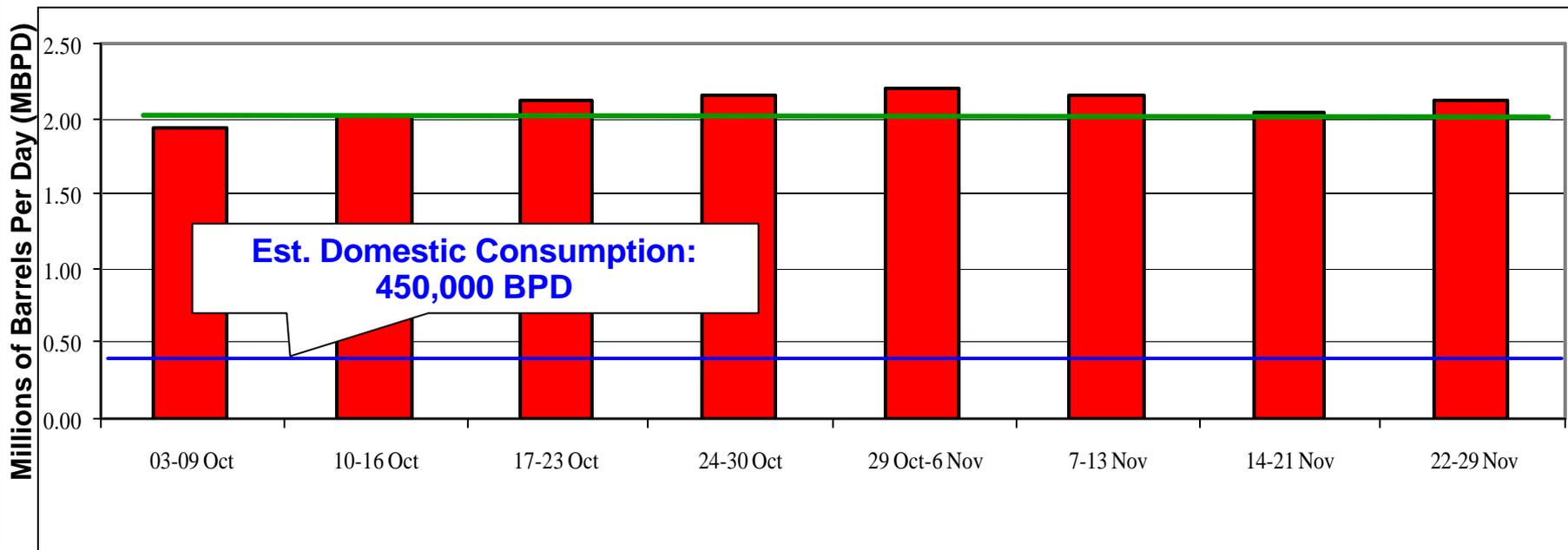
Goal 01 Jun 04: 6,000 MW
Production and Transmission



- Autumn / Spring Overhaul and Maintenance Program began 13 Oct and ends Mar 04. The planned power production is based on CPA overhaul / maintenance plan
- Coalition Forces transitioning security duties for 20 electrical facilities to the Ministry of Electricity (MOE) security forces. Transition of authority will be complete by the end of Nov
- The Iraqi MOE continues joint project with Jordan to construct an electrical distribution grid shared by the two countries. This is a long term project

Crude Oil Production

Mid-Term Target (Dec 03): 2.0 MBPD



Data only available on 23, 28 and 29 Nov

■ Average Daily Production by Week

WEEKLY AVERAGE OF 2.13 MBPD EXCEEDS MID-TERM TARGET OF 2.0 MBPD

- Long Term Target (Dec 04): 3.0 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Feb
- Post-war Peak: 2.255 MBPD on 02 Nov
- Weekly average of crude exports: 1.5 MBPD

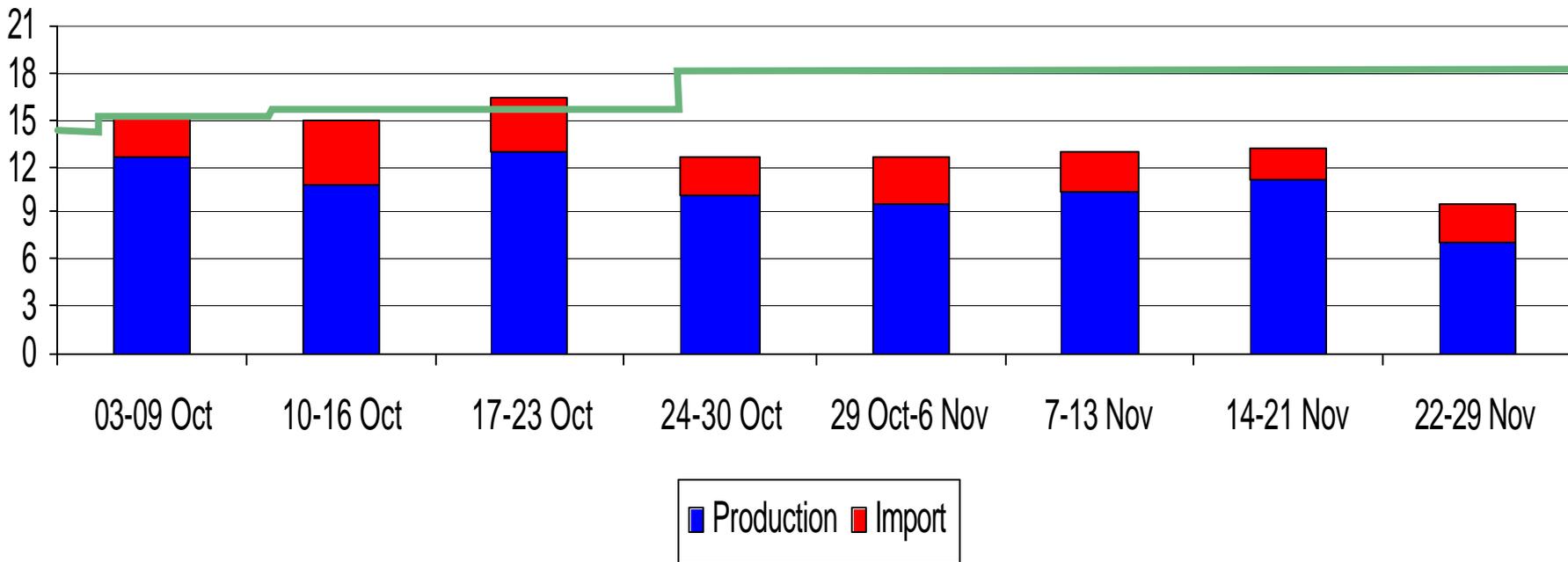


Diesel Supply

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M Liters / Day

Current Goal: 18 M Liters

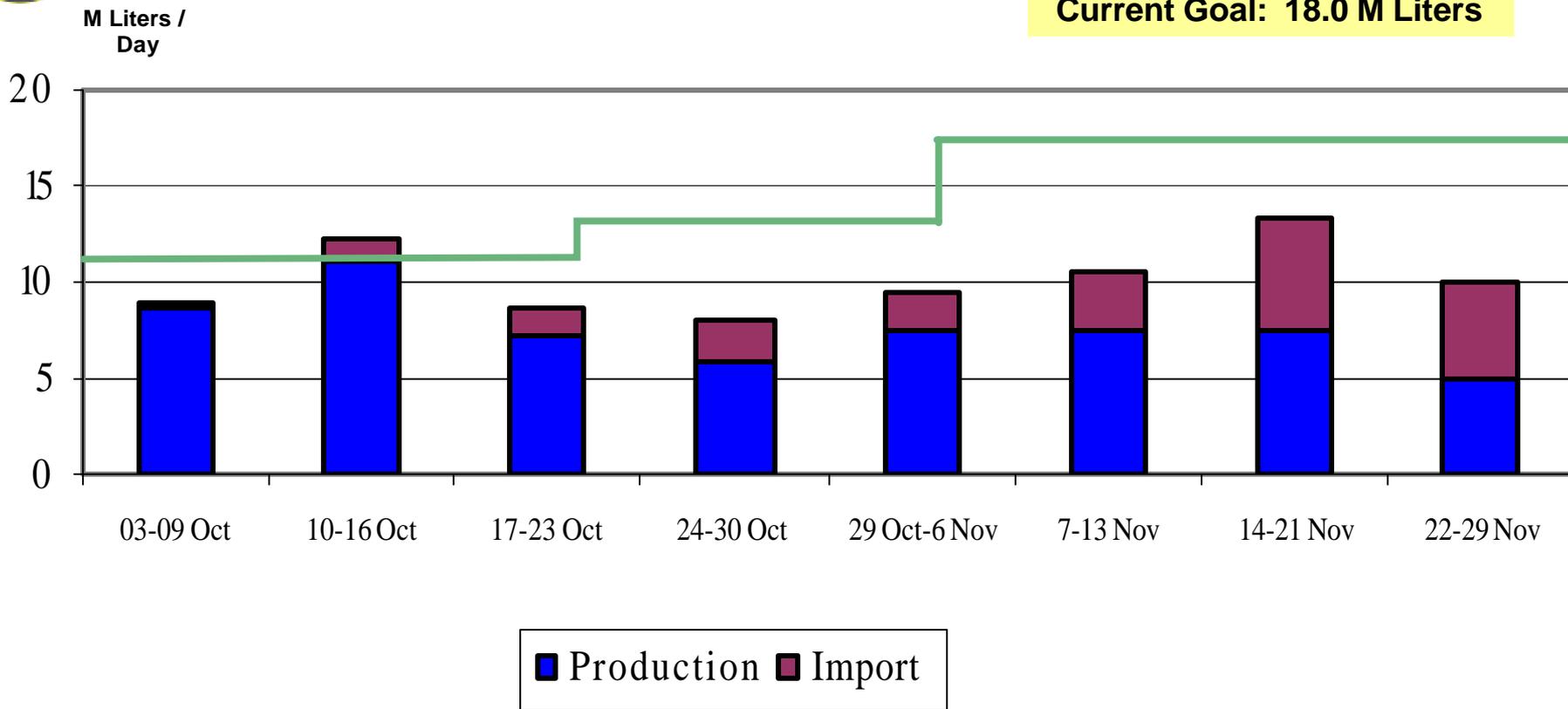


- Supply currently 53% of goal



Kerosene Supply

Current Goal: 18.0 M Liters



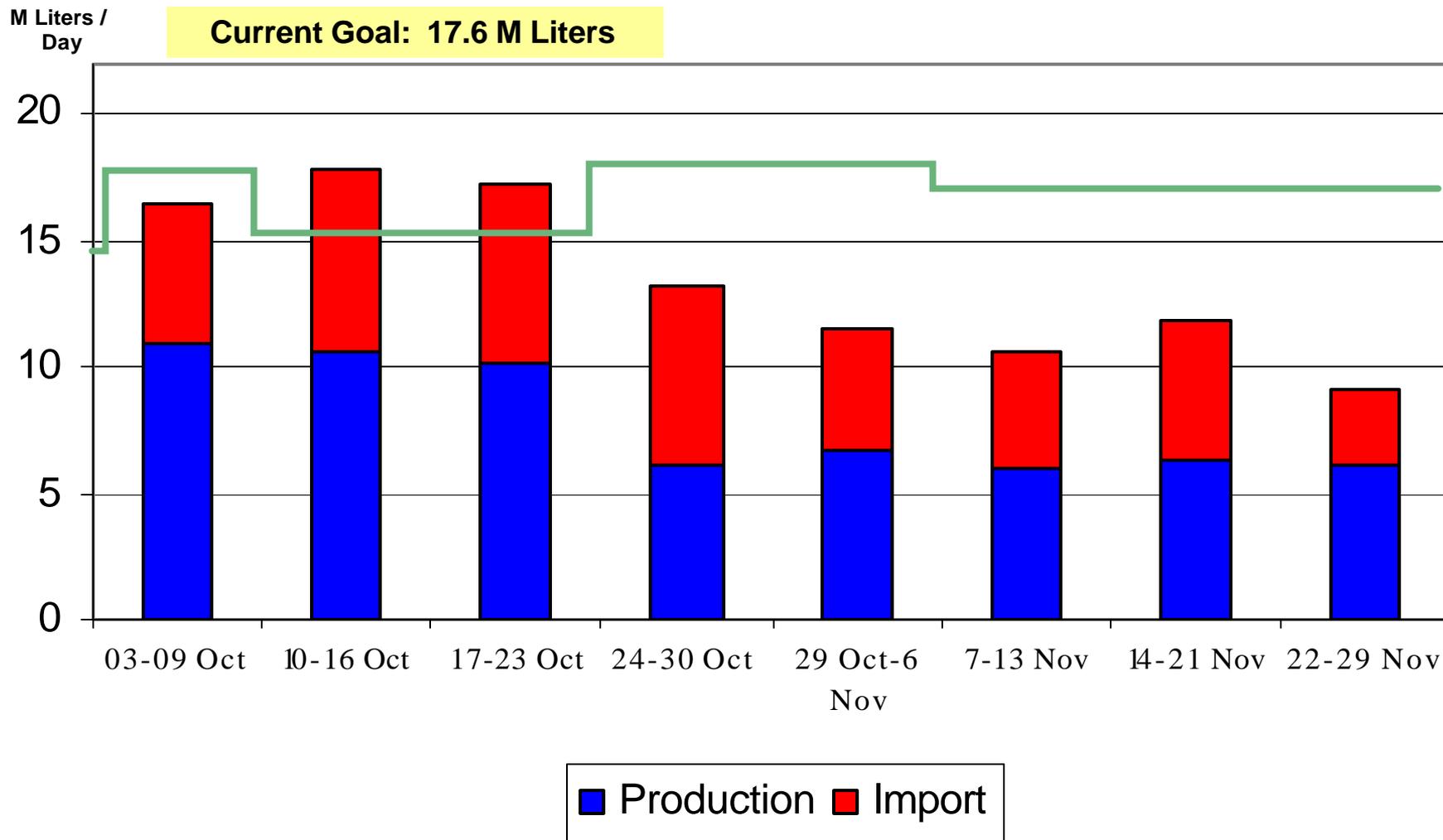
• Current supply 56% of goal

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Gasoline / Benzene Supply

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• **Current supply 52% of goal**

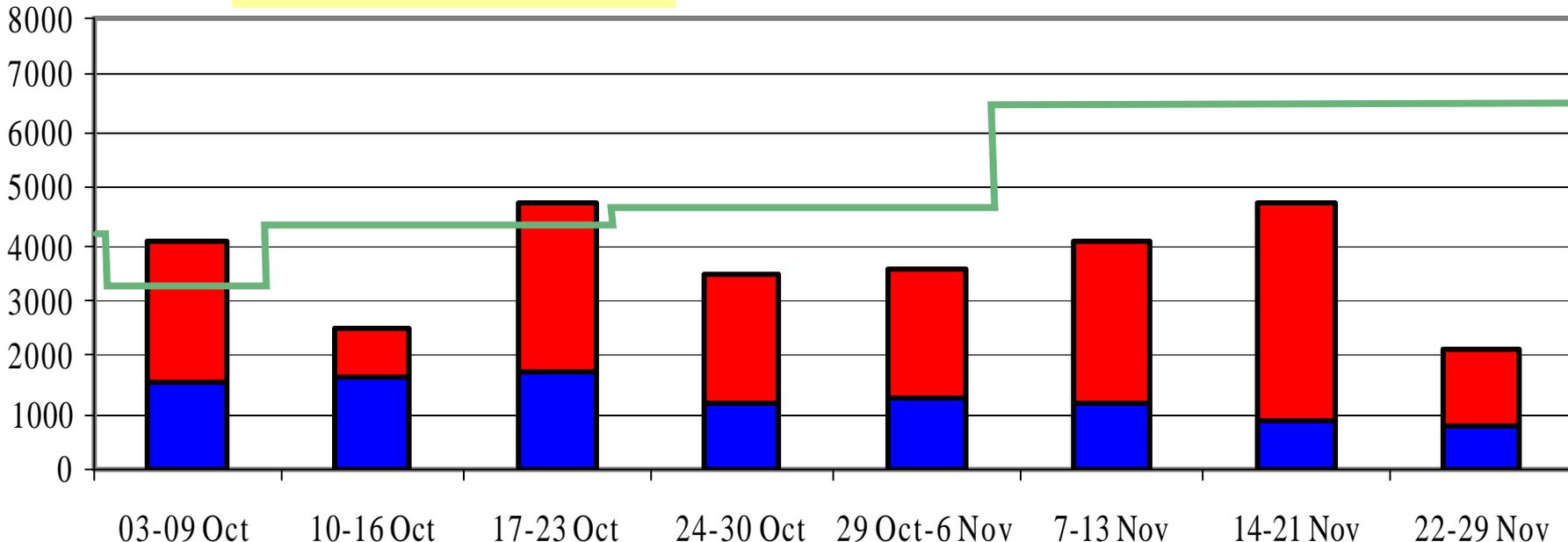


Liquid Propane Gas Supply

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Tons / Day

Current Goal: 6,300 Tons



- **Southern LPG plant ready to start up, will begin processing once natural gas liquids delivery starts**
- **Current supply 34% of goal**

Essential Services - Education

Milestones:

- 72 million new textbooks will be distributed before end of school year
- 64,000 or more secondary teachers and 5,000 school principals and administrators will be trained in modern teaching methods

Number of Students registered in Accelerated Learning Pilot Program (bringing dropouts back to school)	536	In 5 different Governates
Schools Rehabilitated as of 24 Nov	1,774	
Schools in Need of Demolition or Rebuilding	1,343	9% of all schools
Schools in Need of Major Rehabilitation	5,970	40% of all schools
Schools Damaged in Some Way	11,939	80% of all schools
Master Trainers who completed training course in Baghdad	258 / 735	
Secondary School Student Kits Delivered	99.7%	Of 1.5M
Revised Textbooks (Math & Science) Distributed	78.8%	Of 5.6M
Schools Receiving Revised Textbooks	87.7%	Of 13,000

Compared to life under Saddam's rule:

- Fulbright Scholarships (flagship international education exchange program) restarts in Jan 04 (first for 14 years) with minimum 20 scholarships
- Teachers are now earning 12 to 25 times their former salaries





Essential Services - Healthcare

Milestones:

- EOY 03: New Ministry of Health (MOH) organization in place**
- EOY 03: MOH assumes all pharmaceutical procurement activities**
- EOY 03: Rehabilitation plan developed to capitalize on Supplemental and Donors to fix infrastructure and fix/replace equipment**

Current Activities:

- Public health system operational. Focusing on immunizations, disease surveillance and treatment of diarrhea and acute respiratory illnesses (providing oral rehydration salts, promoting breast feeding, providing antibiotics, and providing clean water)**
- 3M of 4.3M children under age 5 have been vaccinated, with 20,000 more receiving required vaccinations each month**
- 42 schools serving 18,660 students have been visited by health professionals as part of a health and hygiene education campaign**

Compared to life under Saddam's rule:

- Public health spending has increased 26 times**
- Doctor's salaries are eight times higher**
- Pharmaceutical distribution and child vaccination programs dramatically increased in size and effectiveness**



Essential Services - Water

Water Supply and Sewage Treatment Milestones (Liters)

	Pre-War	Post-war	Jun 04	Nov 04
Potable Water Availability	12.9 Million	4.0 Mil	13.4 Mil	21.3 Mil
Sewage System Coverage	6.2 Million			

- **Sector Goals:** 90% of Iraqis with access to potable water by Apr 05; 11% of Iraqis with sewerage service by Mar 05; reduction in water loss from 60% of water supply to 40% by Mar 04
- Rehabilitation of the Safwan (Al Basrah Governate) water pumping station is complete, bringing potable water to 40,000 residents
- Preliminary work begun on Rustimiyah 3, Iraq's largest sewage treatment plant. Bechtel working to restore plant to full capacity by Sep 04
- Rehabilitation of Al Hillah and Ad Diwaniyah municipal sewage treatment plants underway
- 50% of Iraqis have access to potable water

Irrigation Canals	Km (est)
Total Irrigation Canals in Iraq	27,000
Canals needing clearance (May)	20,000
Canals cleared as of 31 Oct	16,500

- Canal-clearing employment program closed after clearing over 16,500 Km. Generated 7 million man-days and added over \$18M into rural economy

Essential Services - Telecommunications



TELECOM Connections

Type	Pre-War	Sept 2003	Jan 2004 Goal
Landline***	1,100,000	850,000	1,100,000
Wireless	0	0	50,000
Internet	4,500	4,900	50,000

***Note: Due to insufficient pre-war data and pending the results of an ITPC assessment, # of working lines may be substantially less than total # of lines available

- **Reconstruction of Baghdad's telephone infrastructure fell behind schedule; restoration now scheduled for completion on 17 Feb 04 vice 15 Jan 04. Iraqi Min of Communications will review program and make recommendations**
 - **Completion dates impacted by inability of Iraq Telecommunications and Posts Company (ITPC) to provide personnel to complete cabling efforts between new switches, main distribution frame, and subscriber lines**
- **Production of new Iraqi postal stamps commenced week of 23 Nov**
- **By Dec 03, there will be 423 guards providing security for Telecom sector**
- **Due to security situation, currently negotiating with Jordanian government establishment of temporary international mail exchange in Jordan**

Milestones

- **23 Oct: First successful international calls using new satellite gateway**
- **Dec 03: Begin cell phone service**



Essential Services - Transportation

- **Sector Goals:** Open Baghdad International Airport (BIAP) and Basrah for commercial use by 31 Dec 03; 2,100 Km of rail track repaired by Nov 05; roads and bridges repaired to pre-war standards by Jul 04
- **Iraqi Republic Railway (IRR)** runs an average of 20 trains per day, including 6 passenger trains, 2 fuel trains, and 12 military trains
 - 14 acts of sabotage committed against railway in Oct, and 25 acts of sabotage reported in first half of Nov. CPA and CJTF-7 have formed a “tiger team” and are developing a strategy to address the situation
 - Inaugural international passenger train (Mosul-to-Aleppo, Syria) began on 22 Nov
- CPA planning for increased commercial aviation cargo service to BIAP when security situation permits
- CPA and Iraqi Ministries assessing viability of Hajj-to-Mecca airline service
- Degradation of concrete in piers at Al Mat Bridge (main route between Baghdad and Jordan) has prompted engineers to develop a design change. Work on bridge now expected to be completed by early Feb 04
- Grain-ship *Fuente* arrived at Umm Qasr with 52,185 tons of bulk wheat
 - Wheat moved by truck and rail from port to flour mills near Basrah. The Public Distribution System (PDS) provides 300 grams per day of flour to each Iraqi. 10,000 MT of wheat is consumed daily



Total Security Forces in Iraq

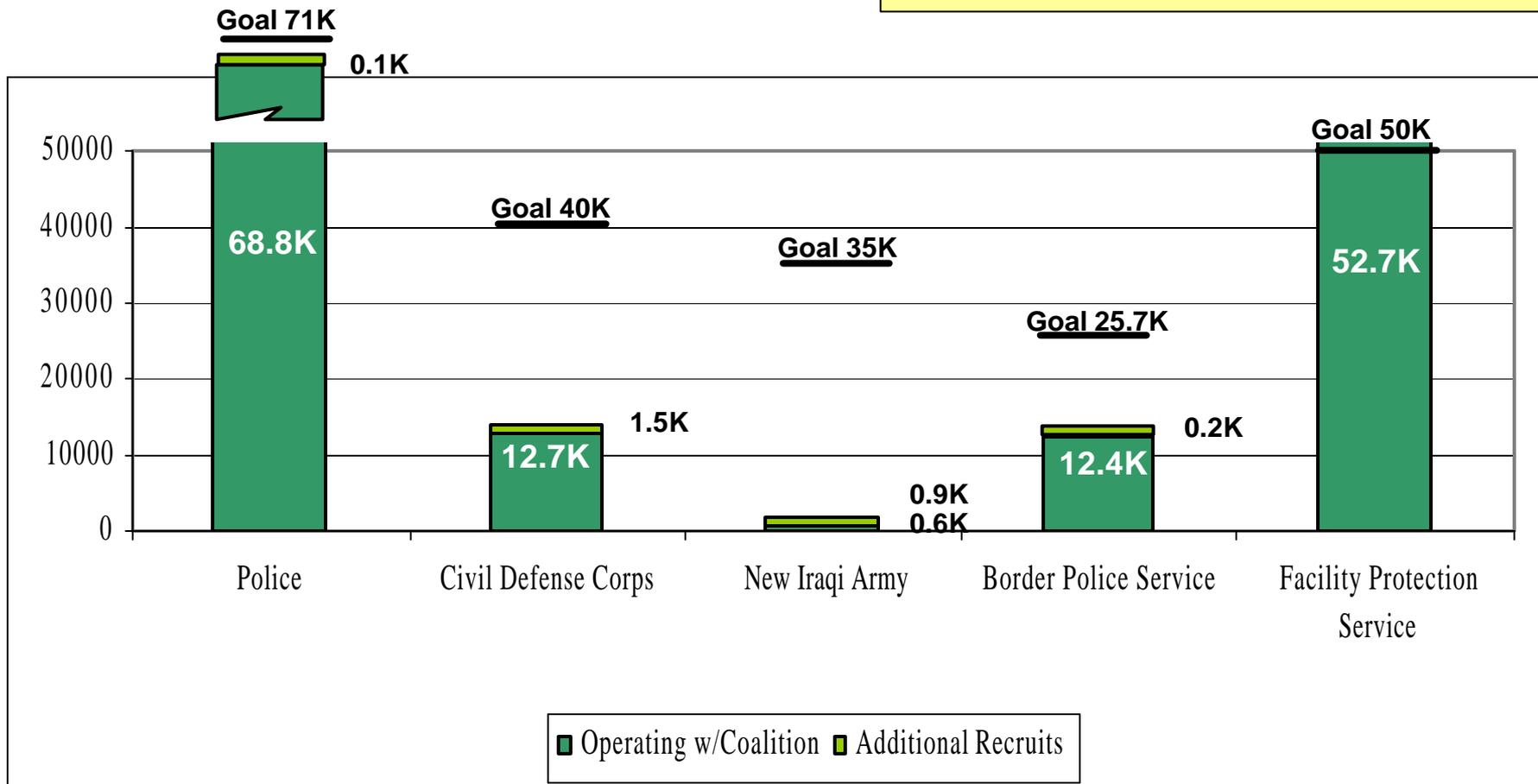
Security Forces (x1000)	10-Oct	17-Oct	24-Oct	31-Oct	7-Nov	14-Nov	20-Nov	27-Nov
Additional Iraqi Recruits *	11.7	11.5	11.3	6.4	6.9	6.5	5.4	2.8
Other Coalition	24	24	24	25	25	25	25.2	23.9
Iraqi Coalition Forces	89	86	93	116	131	134	145.5	147.2
US	134	133	132	131	128	127	126	123
Total	247	243	249	272	284	286	297	294

- Iraqi Recruits not included in total due to their training status



Iraqi Security Forces

Currently Operating: 147.2K
Currently in Training: 2.8K
Current Total: 150.0K
Goal: 221.7K



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Iraqi Casualties from Attacks Against Friendly Forces (Wk)

		31 Oct – 06 Nov	07 – 13 Nov	14 - 20 Nov	21 - 27 Nov
Iraqi Civilians	Killed	4	5	23	8
	Wounded	5	20	36	42
Iraqi Security Forces	Killed	0	4	1	16
	Wounded	8	15	6	33
Assassination of Public Officials	Attempts	2	2	8	2
	Killed	1	1	4	2



Iraqi Casualties from Attacks Against Friendly Forces (Mo)

		Jul	Aug	Sep	Oct	01-27 Nov
Iraqi Civilians	Killed	16	47	25	41	40
	Wounded	44	310	94	213	103
Iraqi Security Forces	Killed	*	*	57	29	21
	Wounded	*	*	94	59	59
Assassination of Public Officials	Attempts	**	**	**	**	12
	Killed	1	1	1	3	7

- * Iraqi Security Forces: tracking started 07 Sep ** Assassination attempts: tracking started Nov 03

Ammo / Explosives / Weapons Captured (Weekly)

<u>Captured Ammo & Explosives</u>	24-30 Oct	31 Oct- 06 Nov	07-13 Nov	14-20 Nov	21-27 Nov
Assembled IEDs	57	62	61	107	75
RPG rounds, Grenades	226	215	170	541	1,267
MANPAD rounds	11	4	24	19	0
Mortar, Artillery, Rocket Rounds	411	1,121	11,562	1,685	1,319
Mines	13	4	104	10	5
Pounds of Explosives	48	782	233	1,991	699
Rounds < 30 mm	3,865	26,630	19,030	210,201	85,574
<u>Captured Weapons</u>					
RPG Launchers	43	24	150	114	337
MANPAD Launchers	11	2	0	17	1
Small Arms	92	106	226	355	216
Crew Served Weapons	9	226	12	39	27

Ammo / Explosives / Weapons Captured (Monthly)



<u>Captured Ammo & Explosives</u>	Jun	Jul	Aug	Sep	Oct	01-27 Nov
Assembled IEDs	21	18	62	87	180	315
RPG rounds, Grenades	490	1,050	1,049	776	1,204	2,226
MANPAD rounds	14	2	130	25	11	47
Mortar, Artillery, Rocket Rounds	100	824	2,556	4,338	7,254	17,428
Mines	419	3	127	1,001	4,792	123
Pounds of Explosives	300	20	0	0	7,093	3,200
Rounds < 30 mm	10,840	2,240	25,685	25,885	9,931	347,050
<u>Captured Weapons</u>						
RPG Launchers	125	15	39	39	92	626
MANPAD Launchers	14	2	6	25	12	20
Small Arms	192	168	275	184	333	923
Crew Served Weapons	15	12	87	0	39	83



Stability Contributors

Countries with forces in Iraq

32

TOTAL ~24,000

Albania
 Azerbaijan
 Bulgaria
 Czech Rep
 Denmark
 Dom Rep
 El Salvador
 Estonia
 Georgia
 Honduras
 Hungary
 Italy
 Kazakhstan
 Korea
 Latvia
 Lithuania

Macedonia
 Moldova
 Mongolia
 Netherlands
 New Zealand
 Nicaragua
 Norway
 Philippines
 Poland
 Portugal
 Romania
 Slovakia
 Spain
 Thailand
 Ukraine
 UK

Countries considering decision to provide forces for Iraq

12

TOTAL TBD

44 Countries
Potentially Supporting
Iraqi
Stability and
Humanitarian Relief

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Governance - National

MILESTONES

- 14 Jul: GC established
- 01 Sep: Highly qualified interim cabinet ministers appointed
- 10 Sep: Governor of Central Bank named
- 19 Sep: Council of Judges established to supervise judicial and prosecutorial systems - provides independent judiciary
- 15 Nov: New agreement between CPA and GC on transition process
 - 28 Feb 04: Transitional Administrative Law approved
 - 31 Mar 04: Bilateral security agreements complete
 - 31 May 04: Selections to Transitional National Assembly complete
- 01 Jul 04: Transitional Assembly selects executive and assumes full sovereign powers for governing Iraq; CPA and GC dissolve
- 15 Mar 05: Elections to the constitutional convention complete
- 31 Dec 05: Constitutional ratification and national elections complete; new government assumes power

Governance - International Recognition



MILESTONES

- 08 Sep: Arab League grants seat to GC
- 12 Sep: GC members seated at UN session
- 20 - 21 Sep: GC-Ministerial delegation attends WB / IMF meetings in Dubai
- 24 Sep: Iraqi delegation attends OPEC meeting
- 22 Sep - 03 Oct: 13 GC members attend UN sessions
- 02 Oct: GC President Chalabi addresses UN General Assembly
- 08 Oct: GC reps attend OIC Kuala Lumpur meeting
- 16 Oct: UNSC approves resolution inviting GC to submit by 15 Dec 03 a timetable for drafting new constitution and holding democratic elections
- 21 - 23 Oct: Iraqi delegates attend Madrid Donors' Conference
- Late Oct: Transportation Minister participates in high-level talks with Jordanian and Syrian governmental leaders
- 24 Nov: GC President Talabani announces Turkey's liaison office in Baghdad is now an embassy
- 30 Jun 04: New agreement restores full sovereignty to Iraq



Governance - Local

Progress Indicators:

- **58 Community Development groups and 9 Women's Committees are addressing cultural practices that restrain inter-gender mixing in the Shia heartland**
- **To date, Iraqis have committed \$3.6 million (18% of total funding) to projects in their communities**
- **More than half of Iraq's population is now represented through 200 neighborhood councils**
- **Assessment of political parties throughout Iraq is scheduled in late December**



Justice – Courts

Central Criminal Court of Iraq (CCCI)

- Status update of cases involving Al Jazeera employees
 - Salah Hassan alleged to have known of, but failed to report an attack against the Iraqi Civil Defense Corps facility in Baqubah, northeast of Baghdad, in which two Iraqis died
 - Referred to CCCI for investigation 10 Nov
 - 3 CCCI Investigating Judges appointed for case; actively reviewing and collecting evidence, including detention case file prepared by Military Intelligence
 - Satar Karain Kareem alleged to have aided Syrian Fedayeen by, *inter alia*, permitting his Al Jazeera office to be used as a meeting place for planning terrorists attacks; failed to report planned attacks
 - Referred to CCCI for investigation 14 Nov
 - Investigating Judge has reviewed English version of the investigative file and will receive Arabic version and original documentary evidence tomorrow

Justice – Courts (continued)

- **Decision to prosecute these two cases in CCCI Trial chamber is expected within 10 days (delayed by Eid holiday); if decision is to prosecute the cases, trials will begin in approximately 10 days after that decision**
- **Sensitive Prosecution Task Force (made up of CPA personnel to assist the CCCI) has placed the Al Jazeera cases at the top of their list for investigation and is assisting the CCCI Investigating Judges**
- **In addition to the two cases already referred to CCCI, an additional case against an Al Jazeera employee is being prepared; upon completion of Military Intelligence processing, case will be reviewed immediately for possible referral to CCCI**

Economics - Financial Market Structures

- CPA will program \$15 million in micro-lending to small firms in northern and central regions of Iraq
- International Finance Corporation (IFC) and CPA will provide up to \$170 million to fund micro and small businesses in Iraq on a commercial basis through financial intermediaries
- Banking: 83% of Bank Branches operating pre-war are now open for business
- Currency exchange is proceeding well
 - 2.88 trillion (66%) of 4.36 trillion new Iraqi Dinars (ID) that are expected to be exchanged are in circulation
 - The auction exchange rate on 20 Nov was 1955 ID/\$1US
 - On 20 Nov the average “street” price of \$1US was 1990 ID

Economics - Private Sector Development

- The 100,000 jobs program was launched in Mosul this past week
 - Nearly 20,000 Iraqis are now employed through the National Employment Program job generation
 - 3,600 jobs have been coordinated through the National Economic Program municipality projects
- The current balance in Development Fund for Iraq (DFI) is \$3.8 Billion (\$3.7B in Treasury Bills and \$573M in cash)
 - DFI has earned \$3.44 million since the Treasury Iraq Financial Task Force established the DFI investment program at Federal Reserve Bank of New York

Economics - Oil for Food Program Transition

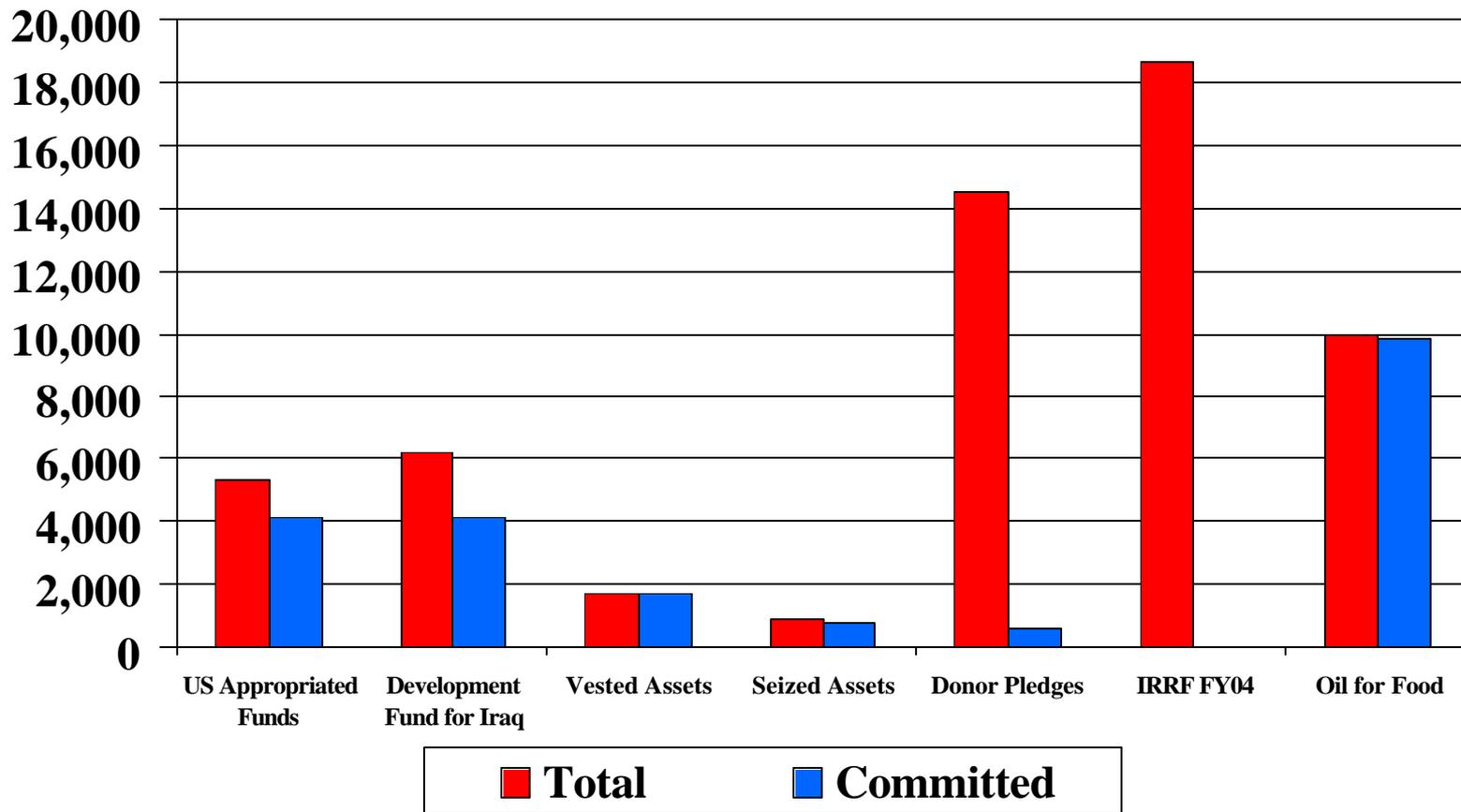


- CPA assumed full control of the Oil For Food Program on 21 Nov, and the transition went smoothly
- As of 18 Nov, 85% of the contracts in the Oil for Food Program's humanitarian pipeline were prioritized for delivery
 - 868 approved and funded contracts, valued at \$1.36 billion, remain for consideration
- CPA will continue the prioritization process for approved and funded contracts beyond 21 Nov
 - CPA will determine basis of needs with Iraqi authorities



Iraq Funds Status (\$ Millions)

Total Available: \$51,999
Total Committed: \$17,105



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CPA – Program Management Office

- **Program Management Office Established**
 - **Headed by RADM (ret) David J. Nash**
 - **Assigned management of the FY04 Emergency Supplemental for the Rebuilding of Iraq (\$18.6 billion)**
 - **Approximately \$14.3 billion for construction and \$4.3 billion for non-construction**
 - **Basic Tenants:**
 - **Proper contracting and administration of funds**
 - **Contracting strategies**
 - **Employ full and open competition, limited to Iraqi firms, Coalition Partner firms and US firms**
 - **Comply with Federal Acquisition Regulation and the Supplemental Bill HR 3289**
 - **Maximum transparency**
 - **Clear accountability in CPA**
 - **Strengthening of the Iraqi capacity to manage large programs like this; and**
 - **Build the capacity of the Iraqi construction industry to do large infrastructure projects**



CPA – Program Management Office

- Two Industry Days held:

- Washington, DC (19 Nov 03)

- 1,200+ attendees, 650 companies, 17 countries
 - Every infrastructure category represented
- Congressmen Tom Davis keynote speaker

- London (21 Nov 03)

- 250+ attendees, 125+ companies, 11 countries
 - Every infrastructure category represented
- Minister of Trade & Industry Mike O'Brien keynote speaker

CPA – Program Management Office



- **Acquisition Timeline - Construction Contracts**
 - **21 Nov 03 Synopsis Posted (www.Fedbizopps.gov)**
 - **26 Nov 03 Draft RFP Release**
 - **5 Dec 03 RFP Release**
 - **5 Jan 04 Final Proposals Due**
 - **O/A 1 Feb 04 Award Construction Contracts**

Al-Iraqiyah (formerly Iraqi Media Network)



Oct 03

- Al Iraqia TV station broadcasting 20-hours / day
- Media training began in Dubai Media City, continues through mid-Dec

Nov 03

- Complete revamp of Al Iraqia programming debuted 28 Nov, end of Ramadan (accelerated from Jan 04)
- Al-Iraqiyah (formerly Iraqi Media Network) staff integrated and active in 15 largest Iraqi cities
- US survey indicates Al-Iraqiyah the “preferred channel” in 59% of homes with exclusively terrestrial TV access and 12% of homes with satellite access (trailing Al-Arabiyah and Al-Jazeera)
- Programming includes: news, interviews with coalition and Iraqi officials, Egyptian soap operas, Arabic music videos, soccer, late night films, and old programming from pan-Arab TV channel MBC

Dec 03

- Conduct second Iraqi media survey

Mar 04

- Al Iraqia staff integrated and active in 15 largest Iraqi cities